

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF)	
RATTLESNAKE RIDGE WATER DISTRICT)	
FOR A CERTIFICATE OF PUBLIC)	CASE NO. 2000-00259
CONVENIENCE AND NECESSITY TO)	
CONSTRUCT, FINANCE, AND INCREASE)	
RATES PURSUANT TO THE PROVISIONS)	
OF KRS 278.023)	

ORDER

On May 25, 2000, Rattlesnake Ridge Water District (Rattlesnake Ridge) submitted an application for a Certificate of Public Convenience and Necessity to construct, finance, and increase rates for a waterworks improvement project. The application was made pursuant to KRS 278.023, which requires the Commission to accept agreements between water utilities and the U.S. Department of Agriculture (USDA) or the U.S. Department of Housing and Urban Development, and to issue the necessary Orders to implement the terms of such agreements within 30 days of satisfactory completion of the minimum filing requirements. As KRS 278.023 does not grant the Commission any discretionary authority to modify or reject any portion of the agreement, the Commission entered an Order on June 22, 2000, approving Rattlesnake Ridge s application and rate increase.

Rattlesnake Ridge subsequently discovered an inadvertent miscalculation of the amount of the minimum bill for customers with 1½-, 2- and 3-inch meters.¹ The rate schedule for Rattlesnake Ridge also did not include minimum bill amounts for customers with a 4- or 6-inch meter. As required by KRS 278.023, the Commission approved the rate schedule listed in Rattlesnake Ridge's Letter of Conditions from the USDA. On May 3, 2002, the USDA issued an Amended Letter of Conditions to Rattlesnake Ridge that contained the proper rate schedule. On May 20, 2002, Rattlesnake Ridge submitted the Amended Letter of Conditions to the Commission for consideration. On July 29, 2002, Rural Development (RD) of USDA filed a letter, stating that the rates shown in the Amended Letter of Conditions were, in fact, the rates originally intended to be listed in the original Letter of Conditions.²

RD and Rattlesnake Ridge have established that the rates included in the original Letter of Conditions and incorporated in the printed rate schedule were based upon incorrect calculations.

IT IS THEREFORE ORDERED that the corrected rates shown in the Appendix attached hereto are approved for service rendered on and after the date of this Order.

¹ Letter dated July 2, 2002 from W. Randel Jones, Attorney for Rattlesnake Ridge Water District, indicating the miscalculations as to 1½-, 2- and 3-inch meters and requesting that 4- and 6-inch meters be added to the tariff to reflect the original intent of the district and RD.

² Letter dated July 23, 2002, from Kenneth Stone, State Director, RD, confirming that the actual intent of the parties is contained in the Amended Letter of Conditions.

Done at Frankfort, Kentucky, this 14th day of August, 2002.

By the Commission

ATTEST:

A handwritten signature in black ink, appearing to read "Thomas W. [unclear]", written over a horizontal line.

Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC
SERVICE COMMISSION IN CASE NO. 2000-00259 DATED August 14, 2002

The following rates and charges are prescribed for the customers in the area served by Rattlesnake Ridge Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the date of this Order.

Monthly Water Rates

5/8 Inch X 3/4 Inch Meter

First	1,000 Gallons	\$11.95	Minimum Bill
Next	4,000 Gallons	7.50	Per 1,000 Gallons
Next	5,000 Gallons	6.50	Per 1,000 Gallons
Next	10,000 Gallons	5.50	Per 1,000 Gallons
Next	20,000 Gallons	3.75	Per 1,000 Gallons
Over	40,000 Gallons	2.90	Per 1,000 Gallons

3/4 Inch Meter

First	5,000 Gallons	\$41.95	Minimum Bill
Next	5,000 Gallons	6.50	Per 1,000 Gallons
Next	10,000 Gallons	5.50	Per 1,000 Gallons
Next	20,000 Gallons	3.75	Per 1,000 Gallons
Over	40,000 Gallons	2.90	Per 1,000 Gallons

1 Inch Meter

First	10,000 Gallons	\$74.45	Minimum Bill
Next	10,000 Gallons	5.50	Per 1,000 Gallons
Next	20,000 Gallons	3.75	Per 1,000 Gallons
Over	40,000 Gallons	2.90	Per 1,000 Gallons

1 1/2 Inch Meter

First	30,000 Gallons	\$166.95	Minimum Bill
Next	10,000 Gallons	3.75	Per 1,000 Gallons
Over	40,000 Gallons	2.90	Per 1,000 Gallons

2 Inch Meter

First	50,000 Gallons	\$233.45	Minimum Bill
Over	50,000 Gallons	2.90	Per 1,000 Gallons

3 Inch Meter

First 100,000 Gallons
Over 100,000 Gallons

\$378.45 Minimum Bill
2.90 Per 1,000 Gallons

4 Inch Meter

First 200,000 Gallons
Over 200,000 Gallons

\$668.45 Minimum Bill
2.90 Per 1,000 Gallons

6 Inch Meter

First 500,000 Gallons
Over 500,000 Gallons

\$1,538.45 Minimum Bill
2.90 Per 1,000 Gallons